



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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May 4, 2000

TO: Minerals File

FROM: Anthony A. Gallegos, Senior Reclamation Specialist *aa*

RE: Site Inspection, Uintah County Asphalt Mine, M/047/022, and Crown Asphalt Corporation, Asphalt Ridge Oil Sands Mine, M/047/032, Uintah County, Utah

Date of Inspection: April 14, 2000
Time of Inspection: 0805 - 1040
Conditions: Overcast, Windy, Threatening Rain
Participants: Jay Mealy, Randy Cloward, Crown Resources; Lonnie Hogan, Uintah County
Tony Gallegos, DOGM

Purpose of Inspection: To discuss the recent site map prepared by the Division and clarify mining and reclamation responsibilities at the site

The site inspection began with a meeting in the onsite Crown office to discuss the two site maps prepared by the Division and recently sent to both operators. The first map discussed was the map with the operator listed as Uintah County at the top. This map was referenced as "Map A." On Map A, the parties present felt the feature labeled "Stock Pile Rehab Material 1.15 ac." was not actually present. It was generally agreed that this map presented the disturbance in section 31 fairly accurately. As part of the current operations, the portion of the pit in the R5 area as shown on Map A is being backfilled. All the mining in section 31 is being performed under Crown's permit by the County. Crown will be responsible for reclamation of these disturbances in section 31.

We then discussed the other map which has Crown Asphalt Corporation listed as the operator at the top. This map was referenced as "Map B." The parties present agreed that the facility area shown on Map B (Extraction Facility and Crown Disturbed) was not accurate and needed some adjustment. It was believed that the actual facility area does not include 5.8 plus 4.5 acres for a total of 10.3 acres, but some acreage greater than 4.5 but less than 10.3. On Map B the features labeled "Topsoil 1.5 ac." and "Overburden 2.4 ac." were believed to actually be absent on the ground. On Map B, the feature labeled "Crown Disturbed 7.0 ac" has been affected by operations, but a portion of this area has also been reclaimed.

After finishing with the maps we discussed general permitting issues regarding the two overlapping mine permits. If, and when, Crown decides to stop mining, they believe that their reclamation responsibility should end at the limits of the disturbed border which they have created, or which the County

has created while working for Crown as their mining contractor. Crown believed that any new disturbance beyond that date and boundary would be the reclamation responsibility of the County. This seemed to be a reasonable approach provided there was adequate and verified documentation of the site at the time Crown ceased operations and the County continued.

Crown mentioned they could use the old aerial photo and new GPS data to provide one current map of the actual site disturbances and features which could be used by both Crown and Uintah County. Using the aerial photo as a base would show the current topography much better than the older quad maps. Crown agreed to look into using their aerial photo map as a new base map.

We discussed the possible situation of Crown's operations ceasing, but the County wanting to continue mining. If this happened, there would need to be some type of a permit and bonding transfer. In connection with this transfer, Crown and the County would need to decide what kind of business agreement would take place regarding the monetary exchange for the cost of reclamation. Under an agreement between Crown and the County, which is supposed to be signed shortly, the County is allowed to mine at the site until reaching the agreed upon tonnage. At this time, the hot mix plant north of the site is operating and using the stockpile of asphalt. At the end of our discussions we then went to examine the mine features on the ground. Lonnie Hogan had to leave the site due to another commitment. Jay Mealy and Randy Cloward conducted the site tour.

Our first stop was overlooking the current pit floor. We were standing on overburden material in the northern half of the pit. This overburden had been moved here from the expansion work located to the south of the pit. We then proceeded to the south end of the pit. Photographs were taken looking northwest and northeast over the current pit disturbance.

We then proceeded to the southeast end of the site near the road gate. This is the road which enters the mine site near the housing area. This road is currently fenced off, trenched and then bermed at the edge of the housing area. This road is also blocked with boulders at the location of the old gate. Photographs were taken showing these various features.

We then drove to the southern end of the property boundary along the fence line. Photographs were taken of this area showing the fence line, the pit disturbance, and warning signs which have been placed along the fence line. The mine disturbance has not progressed to this area.

We then drove back on the road which leads to Air Village and took photos of the site from this vantage point. These photos include vegetation on reclaimed areas which could be released, although there are also reclaimed but unreleased areas which have been redisturbed.

We then went to the smaller mine floor located north of the main pit floor. Photographs were taken from this vantage point looking toward the west, toward the north over the drainage, and toward the east along the drainage with Crown's facilities in the background.

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After looking over the site, we found that several features on the Division maps, which were initially believed to be absent, were actually present on the ground. The size or location were often incorrectly shown on the maps. One of these features was the "Stock Pile Rehab Material 1.15 ac." which is composed of overburden and soils used to create a visual berm actually located immediately adjacent to the Crown Extraction Facility on the southern border. Another such feature was the "Overburden 2.4 ac." which is actually present as part of a visual berm and road; however, the actual size and location are different than as shown on these maps. The feature "Sand Pile 0.12 ac." is present as shown on the maps, but it is actually composed of soils remaining from the County screening gravels out of overburden materials.

Several features shown on these maps was not present on the mine site. The feature "Topsoil 1.5 ac." was not present as shown on Map B. The feature "Uintah County Temporary Crusher" is also no longer present on the site.

In conclusion, the Division was to provide Crown and Uintah County with a copy of the inspection memo. The Division would send a separate letter describing the current understanding of the reclamation responsibilities and provide specific requests for updates to the permits, and an updated map.

jb
cc: Jay Mealey, Crown Asphalt Corp.
Lonnie Hogan, Uintah County Road Dept
files M/047/022 and M/047/032
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1/4 M/047/032 CRO ASPHALT CORP

1/4



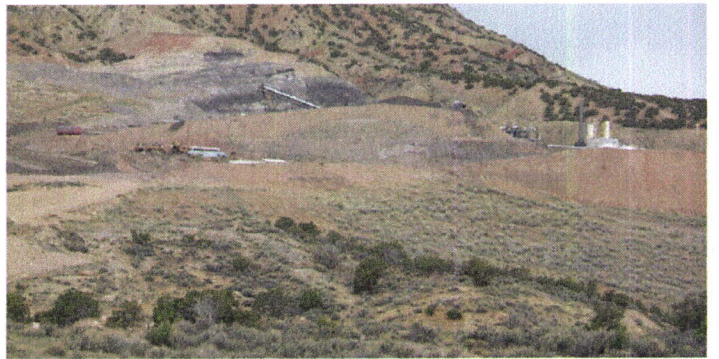
2/4 M/047/032

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3/4 M/047/032

ROWN ASPHALT CORP.



4/4 - M/047/032

CROWN ASPHALT C.P.



m/047/032

From: Anthony Gallegos
To: joelle
Date: Wed, Jul 7, 1999 12:00 PM
Subject: Crown Asphalt - contact person

Joelle,
I spoke with Randy Cloward at Crown Asphalt Corporation (435) 781-6123 today. It seems that Weston Norris is no longer with the company. They are going through some internal reorganizing, but for the time being, Randy will be the contact for the Division.

Please send a copy of this to the file M/047/032.

thanks, tony g